LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **JANUARY 10, 2006**, upon the application of **KCS RESOURCES, INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Formation**, **Reservoir A and the Cotton Valley Formation**, **Reservoir A**, in the Caspiana Field, DeSoto Parish, Louisiana.

- 1. To authorize KCS Resources, Inc. to drill, complete and utilize one additional alternate unit well on HOSS RA SUV and CV RA SUV at the location shown on the plats submitted with the application.
- 2. To approve the proposed alternate unit wells as an exception to the well location provisions of Office of Conservation Order No. 191-B, as to the Hosston Formation, Reservoir A, and Office of Conservation Order No. 191-A, as to the Cotton Valley Formation, Reservoir A.
- 3. To find that the proposed alternate unit well is necessary to efficiently and effectively drain a portion of the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, underlying the respective units which cannot be efficiently and effectively drained by any other well.
- 4. To authorize the unit allowable for these Hosston Formation, Reservoir A, and Cotton Valley Formation, Reservoir A, units to be recovered from any of the wells located on the units, at the discretion of the operator.
- 5. To secure authority to combine downhole production derived from the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, in the wellbore of any current or future well located on HOSS RA SUV and CV RA SUV provided the ownership within such units is the same.
- 6. To consider such other matters as may be pertinent.

The Hosston Formation, Reservoir A, was defined in Office of Conservation Order No. 191-B, effective April 15, 1975.

The Cotton Valley Formation, Reservoir A, was defined in Office of Conservation Order No. 191-A, effective February 15, 1975.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 12/20/05;12/28/05 S dnp

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.